

Document Reference 2.3S

Town and Country Planning Act 1990

Acquisition of Land Act 1981

Local Government (Miscellaneous Provisions) Act 1976

Inquiry into:

**THE COUNCIL OF THE CITY OF COVENTRY (CITY CENTRE SOUTH) COMPULSORY PURCHASE ORDER
2022**

and

Town and Country Planning Act

Stopping-up of public highway

Summary Proof of Evidence

of

Adam Markwell

of Shearer Property Regen Limited

On behalf of the Council of the City of Coventry

29th December 2022

1. INTRODUCTION

- 1.1 I am Adam Markwell, a Director and co-founder of Shearer Property Group Limited (“**SPG**”). I have a Bachelor of Science Degree in Estate Management from Oxford Polytechnic. I have been a Member of the Royal Institution of Chartered Surveyors (RICS) since 1983.
- 1.2 I have been involved in the retail/development sector for over 35 years. My expertise is in retail and leisure. This is what I will be giving evidence on. Others will be giving evidence on housing, planning, funding/the development agreement and master planning.
- 1.3 My skill set is in the leasing of retail and leisure property and I am currently active on projects including Cathedral Lanes, Coventry and St Martins Square, Leicester. I have also recently been involved in re-letting assets in Weymouth and Salisbury.

2. SCOPE OF EVIDENCE

- 2.1 My proof of evidence covers:
- (a) Context to the retail and leisure components of the Scheme;
 - (b) The retail and leisure components of the Scheme; and
 - (c) Approach to delivery of the Scheme up to the appointment of Hill Holdings Limited (“**HHL**”) as the Approved Funder.
- 2.2 In my evidence I focus on SPRL’s commercial objectives for the retail and leisure components of the Scheme.

3. CONTEXT TO THE RETAIL AND LEISURE COMPONENTS OF THE SCHEME

- 3.1 Like towns and cities all over the country, the retail sector in Coventry has been impacted by the growth of the internet and, more recently, that growth has been accelerated by Covid-19. This has seen the closure of Debenhams, BHS and Ikea which has contributed to a decline in footfall.
- 3.2 The redevelopment of the Site is a long-held ambition of the Council. Buildings within the site are generally of poor quality and configuration, tired in appearance and not suited to modern retail/leisure requirements which has impacted retailers and shoppers perception of the city.
- 3.3 The Site is a key piece in the jigsaw of key schemes contributing to the holistic regeneration of Coventry.

- 3.4 PROMIS states that for the 11th largest city in the UK, the retail and leisure offer in Coventry needs considerable improvement. High quality public realm will also improve the vitality and attractiveness of the new Quarter.

4. RETAIL AND LEISURE COMPONENTS OF THE SCHEME

- 4.1 The Scheme will provide for up to 20,000 sqm of commercial accommodation which will include a range of shops, restaurants, cafes, bars and other leisure uses.
- 4.2 The Scheme will create a new quarter to complement the established retail pitches and recreate the existing commercial circuit linking into the established pitch via Market Way and Hertford Street but retains the Empire block and adjoining units at 18-20 Hertford Street.
- 4.3 The overarching aim of the Scheme is to revitalise Coventry City Centre South and create a 21st Century regional destination attracting new visitors and stemming leakage to competing nearby centres through the provision of modern, flexible accommodation aligned with tenant and consumer requirements.

5. LEASING/MARKETING STRATEGY

- 5.1 The marketing exercise for the scheme will help to formulate a new brand for Coventry.
- 5.2 The leasing strategy is to introduce a more premium offer for existing visitors who are not currently provided for and for the new residents of CCS.
- 5.3 Leasing will not properly commence until 12-18 months before Phase 1 opens in 2028.
- 5.4 Food and beverage will form an important part of the tenant mix as it increases shopper dwell time and helps to improve the night time economy.

6. APPROACH TO DELIVERY UP TO THE APPOINTMENT OF HILL HOLDINGS LIMITED AS APPROVED FUNDER

- 6.1 In March 2019, a Development Agreement was signed between the Council, SPG and SPRL. The Development Agreement provides for SPRL to propose a party to take on the role of the “Approved Funder” and provide the necessary finance to cover the costs of the Scheme.
- 6.2 In March 2020 SPRL appointed Montagu Evans to identify an appropriate party to fulfil the role of Approved Funder. Bidders were required to demonstrate their funding, delivery and environmental, social and corporate governance credentials and complementary skills
- 6.3 The process for selecting the approved Funder was run by SPG. The Council were kept updated at key stages but the decision making rested solely with SPG. In January 2022, SPRL identified Hill Residential Limited (“HRL”), a major residential and commercial mixed- use developer as its preferred partner.

- 6.4 HRL has invested in SPRL to take forward the scheme and has arranged for its parent company, Hill Holdings Limited (HHL) to act as the funder. HHL has now been approved by the Council as the “Approved Funder” under the terms of the Development Agreement.

7. CONCLUSION

- 7.1 The scheme offers the optimum quantum of flexible space to create a diverse mix of retail and leisure in a quality environment, appropriate to the size and demographic of Coventry's catchment. I am confident the scheme will be commercially successful.